

Regular or Irregular Regs – What's Up?

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WLTA Presentation Fall 2013



**CFPB PROPOSED RULE TO SIMPLIFY AND
IMPROVE MORTGAGE DISCLOSURE FORMS**

EXISTING REGULAR REGULATIONS



- 30 YEARS + TWO DIFFERENT DISCLOSURE FORMS
- TRUTH IN LENDING ACT "TILA"
 - GOOD FAITH ESTIMATE
- REAL ESTATE SETTLEMENT PROCEDURES ACT "RESPA"
 - HUD1 SETTLEMENT STATEMENT

CFPB HAD THREE OBJECTIVES - DISCLOSURES

Understand basic terms of a loan and its costs, both immediate and over time - Comprehension

Compare one loan estimate to another & identify the differences - Comparison

Both of the above should allow informed decisions - Choice



LOAN ESTIMATE

FICUS BANK

4821 Random Boulevard • Somecity, ST 12345

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

1

DATE ISSUED: 1/21/2013
APPLICANTS: James White and Jane Johnson
123 Anywhere Street, Apt 678
Anytown, ST 12345
PROPERTY: 456 Somewhere Avenue
Anytown, ST 12345
SALE PRICE: \$240,000

LOAN TERM: 30 years
PURPOSE: Purchase
PRODUCT: 5-Year Interest Only, 5/3 Adjustable Rate
LOAN TYPE: Conventional FHA VA
LOAN ID#: 123456789
RATE LOCK: NO YES, until 3/22/2013 at 5:00 p.m. EST
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EST.

Loan Terms

2

Can this amount increase after closing?

| | | |
|---|-----------|--|
| Loan Amount | \$211,000 | NO |
| Interest Rate | 4.375% | YES <ul style="list-style-type: none">• Adjusts every three years starting in year 6• Can go as high as 8% in year 9• See AR table on page 2 for details |
| Monthly Principal & Interest <small>See Projected Payments Below for Your Total Monthly Payment</small> | \$769.27 | YES <ul style="list-style-type: none">• Adjusts every three years starting in year 6• Can go as high as \$1,622 in year 9• Includes only interest and no principal until year 6• See AP table on page 2 for details |
| Does the loan have these features? | | |
| Prepayment Penalty | | NO |
| Balloon Payment | | NO |

Page 1 summary of key loan terms/costs

1 = Loan Details

2 = Loan Terms

3 =
projected
payments

4 = Cash to
Close

| Projected Payments | | 3 | | | |
|---|---|----------------------------------|---|----------------------------|---|
| Payment Calculation | | Years 1-5 | Years 6-8 | Years 9-11 | Years 12-30 |
| Principal & Interest | | \$766.27 <i>only interest</i> | \$1,233 min \$1,542 max | \$1,233 min \$1,522 max | \$1,233 min \$1,622 max |
| Mortgage Insurance | + | 107 | + 107 | + 107 | + — |
| Estimated Escrow <i>Amount Can Increase Over Time</i> | + | 533 | + 533 | + 533 | + 533 |
| Estimated Total Monthly Payment | | \$1,409 | \$1,873 – \$2,182 | \$1,873 – \$2,262 | \$1,766 – \$2,155 |
| Estimated Taxes, Insurance & Assessments <i>Amount Can Increase Over Time</i> | | \$533 a month | This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: | | In escrow? YES YES |
| <small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small> | | | | | |
| Cash to Close | | 4 | | | |
| Estimated Cash to Close | | \$31,587 | Includes: \$8,587 in Closing Costs (\$4,527 in Loan Costs + \$4,060 in Other Costs – \$0 in Lender Credits). See details on page 2. | | |

Visit www.consumerfinance.gov/learnmore for general information and tools.

1 = Loan Costs

2 = Other Costs

3 = Calculating
Cash to Close

Page 2 of Loan Estimate

Closing Cost Details

| Loan Costs 1 | | Other Costs 2 | |
|---|---------|--|------------------------------------|
| A. Origination Charges \$2,850 | | E. Taxes and Other Government Fees \$152 | |
| % of Loan Amount (Point(s)) | \$0 | Recording Fees and Other Taxes | \$152 |
| Application Fee | \$400 | Transfer Taxes | \$0 |
| Loan Origination Fee | \$2,450 | | |
| | | F. Prepaids \$1,205 | |
| | | Homeowner's Insurance Premium (_ 12_ months) | \$1,000 |
| | | Mortgage Insurance Premium (_ 0_ months) | \$0 |
| | | Prepaid Interest (\$25.64 per day for 8 days @ 4.375%) | \$205 |
| | | Property Taxes (_ 0_ months) | \$0 |
| | | | |
| | | G. Initial Escrow Payment at Closing \$1,067 | |
| | | Homeowner's Insurance | \$83.33 per month for 2 mo. \$167 |
| | | Mortgage Insurance | \$0 per month for 0 mo. \$0 |
| | | Property Taxes | \$450.00 per month for 2 mo. \$900 |
| | | | |
| | | H. Other \$1,636 | |
| | | Title - Owner's Title Policy (optional) | \$1,636 |
| | | | |
| | | I. TOTAL OTHER COSTS (E + F + G + H) \$4,060 | |
| | | | |
| | | J. TOTAL CLOSING COSTS \$4,587 | |
| | | ID-1 | \$4,587 |
| | | Lender Credits | - \$0 |
| | | | |
| | | Calculating Cash to Close 3 | |
| | | Total Closing Costs (J) | \$4,587 |
| | | Closing Costs Financed (Included in Loan Amount) | \$0 |
| | | Down Payment/Funds from Borrower | \$29,000 |
| | | Deposit | -\$5,000 |
| | | Funds for Borrower | \$0 |
| | | Seller Credits | -\$1,000 |
| | | Adjustments and Other Credits | \$0 |
| | | Estimated Cash to Close | -\$1,587 |
| D. TOTAL LOAN COSTS (A + B + C) \$4,527 | | | |

Adjustable Payment (API) Table

4

| | |
|--|-----------------------------------|
| Interest Only Payments? | YES for your first 60 payments |
| Optional Payments? | NO |
| Step Payments? | NO |
| Seasonal Payments? | NO |
| Monthly Principal and Interest Payments | |
| First Change Amount | \$1,258 - \$1,344 at 91st payment |
| Subsequent Changes | Every three years |
| Maximum Payment | \$1,622 starting at 108th payment |

LOAN ESTIMATE

Adjustable Interest Rate (AIR) Table

5

| | |
|--|-------------------------------------|
| Index + Margin | LIBOR + 4% |
| Initial Interest Rate | 4.375% |
| Minimum/Maximum Interest Rate | 3%/8% |
| Change Frequency | |
| First Change | Beginning of 61st month |
| Subsequent Changes | Every 36th month after first change |
| Limits on Interest Rate Changes | |
| First Change | 3% |
| Subsequent Changes | 3% |

PAGE 2 OF 7 - LOAN ID #121452788

4 =
**Adjustable
Payment
Table**
5 =
**Adjustable
Interest
Rate**

CLOSING DISCLOSURE

3 days before settlement/closing

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

1

Closing Information

Date Issued: 8/10/2012
Closing Date: 8/14/2012
Disbursement Date: 8/14/2012
Agent: Epsilon Title Co.
File #: 12-3456
Property: 455 Somewhere Ave.
Anytown, ST 12345
Sale Price: \$180,000

Transaction Information

Borrower: John A. and Mary E.
123 Anywhere Street
Anytown, ST 12345
Seller: Steve C. and Amy D.
321 Somewhere Drive
Anytown, ST 12345
Lender: First Bank

Loan Information

Loan Term: 30 years
Purpose: Purchase
Product: Fixed Rate
Loan Type: Conventional FHA
 VA
Loan ID #: 123456789
MCA: 000054321

1 = Loan
Details

2

| Loan Terms | | Can this amount increase after closing? |
|---|-----------|---|
| Loan Amount | \$162,000 | NO |
| Interest Rate | 3.875% | NO |
| Monthly Principal & Interest <small>See Projected Payments Below for Your Real Monthly Payment</small> | \$761.78 | NO |
| | | Does the loan have these features? |
| Prepayment Penalty | | NO |
| Balloon Payment | | NO |

2 = Loan Terms

3

| Projected Payments | | Years 1-7 | | Years 8-30 |
|---|---------------------|------------|---|---------------------------------------|
| Payment Calculation | | | | |
| Principal & Interest | | \$761.78 | | \$761.78 |
| Mortgage Insurance | + | 82.85 | + | — |
| Estimated Escrow <small>Amount Can Increase Over Time</small> | + | 206.13 | + | 206.13 |
| Estimated Total Monthly Payment | | \$1,050.26 | | \$967.91 |
| Estimated Taxes, Insurance & Assessments <small>Amount Can Increase Over Time See Details on Page 4</small> | \$356.13 a month | | This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other Homeowner's Association <small>See page 4 for escrowed property costs. You must pay for other property costs separately.</small> | In escrow? YES YES NO |

3 = Projected
Payments

4

| Cash to Close | | |
|---------------|-------------|---|
| Cash to Close | \$14,272.35 | includes \$9,729.54 in Closing Costs (\$4,694.05 in Loan Costs + \$5,035.49 in Other Costs) - \$0 in Lender Credits. See details on page 2. |

4 = Cash To
Close

Disclosure Page 2

Closing Cost Details

| Loan Costs | Borrower Paid | | Seller Paid | | Paid by Other |
|---|-------------------|----------------|-------------|----------------|---------------|
| | At Closing | Before Closing | At Closing | Before Closing | |
| A. Origination Charges | \$1,822.00 | | | | |
| 01 Orig. % of Loan Amount (Rate) | \$400.00 | | | | |
| 02 Application Fee | \$100.00 | | | | |
| 03 Underwriting Fee | \$1,000.00 | | | | |
| 04 | | | | | |
| 05 | | | | | |
| 06 | | | | | |
| 07 | | | | | |
| B. Services Borrower Did Not Shop For | \$236.55 | | | | |
| 01 Appraisal Fee | | | | | \$400.00 |
| 02 Check Report Fee | | \$15.00 | | | |
| 03 Flood Determination Fee | | | | | |
| 04 Flood Monitoring Fee | \$20.00 | | | | |
| 05 Tax Monitoring Fee | \$20.00 | | | | |
| 06 Tax Market Research Fee | \$80.00 | | | | |
| 07 | | | | | |
| 08 | | | | | |
| 09 | | | | | |
| 10 | | | | | |
| C. Services Borrower Did Shop For | \$2,855.50 | | | | |
| 01 Sept Inspection Fee | \$1,100.50 | | | | |
| 02 Survey Fee | \$60.00 | | | | |
| 03 Title - Beneficial Broker | \$825.00 | | | | |
| 04 Title - Lender's Title Insurance | \$300.00 | | | | |
| 05 Title - Title Search | \$80.00 | | | | |
| 06 Title - Settlement Agent Fee | \$300.00 | | | | |
| 07 | | | | | |
| D. TOTAL LOAN COSTS (Borrower Paid) | \$4,894.05 | | | | |
| Loan Costs Subtotal (A + B + C) | \$4,894.05 | \$15.00 | | | |
| Other Costs | \$566.66 | | | | |
| E. Taxes and Other Government Fees | \$566.66 | | | | |
| 01 Recording Fees | \$566.66 | | \$998.00 | | |
| 02 State Transfer Tax | | | | | |
| F. Prepaids | \$2,338.24 | | | | |
| 01 Homeowner's Insurance Premium (12 mo.) | \$1,204.98 | | | | |
| 02 Mortgage Insurance Premium (1 mo.) | \$296.48 | | | | |
| 03 Prepaid Interest - \$17.44 per day from 10/11/12 to 10/11/12 | \$57.88 | | | | |
| 04 Property Taxes - 1 mo. to Any County Ltd. | | | | | |
| 05 | | | | | |
| G. Initial Escrow Payments at Closing | \$412.28 | | | | |
| 01 Homeowner's Insurance - \$100.00 per month for 1 mo. | \$200.00 | | | | |
| 02 Mortgage Insurance - per month for 1 mo. | \$210.00 | | | | |
| 03 Property Taxes - \$105.00 per month for 1 mo. | | | | | |
| 04 | | | | | |
| 05 | | | | | |
| 06 | | | | | |
| 07 | | | | | |
| 08 | | | | | |
| 09 | | | | | |
| 10 | | | | | |
| H. Other Costs | \$2,400.00 | | | | |
| 01 Real Estate Commission to Alpha Real Estate Broker | | | \$1,000.00 | | |
| 02 Real Estate Commission to Omega Real Estate Broker | | | \$1,000.00 | | |
| 03 Title - Owner's Title Insurance | \$1,000.00 | | | | |
| 04 HOA Capital Contribution | \$500.00 | | | | |
| 05 HOA Dues (2012) | \$150.00 | | | | |
| 06 Home Inspection Fee | \$300.00 | | | \$150.00 | |
| 07 Home Warranty Fee | | | \$400.00 | | |
| 08 | | | | | |
| I. TOTAL OTHER COSTS (Borrower Paid) | \$5,035.49 | | | | |
| Other Costs Subtotal (E + F + G + H) | \$5,035.49 | | | | |
| J. TOTAL CLOSING COSTS (Borrower Paid) | \$9,929.54 | | | | |
| Closing Costs Subtotal (D + I) | \$9,929.54 | \$15.00 | \$1,000.00 | \$150.00 | \$400.00 |
| Lender Credits | | | | | |

1 = Loan Costs

2 = Other Costs

3 = Total Closing Costs (Borrower-Paid)

Disclosure Page 3

1 Use this table to see what has changed from your Loan Estimate.

| | Estimate | Final | Did this change? |
|--|--------------------|--------------------|--|
| Total Closing Costs (B) | \$8,014.00 | \$9,725.54 | YES - See "Total Loan Costs (B)" and "Total Other Costs (B)" |
| Closing Costs Paid Before Closing | \$0 | -\$20.00 | YES - You paid these Closing Costs before closing. |
| Closing Costs Financed (Included in Loan Amount) | \$0 | \$0 | NO |
| Days Payment/ Funds Held Borrower | \$18,000.00 | \$18,000.00 | NO |
| Deposit | -\$10,000.00 | -\$10,000.00 | NO |
| Funds for Borrower | | | NO |
| Seller Credits | \$0 | -\$2,500.00 | YES - See Seller Credits in Section L. |
| Adjustments and Other Credits | \$0 | -\$527.39 | YES - See details in Sections K and L. |
| Cash to Close | \$16,054.00 | \$14,272.35 | |

2 Use this table to see a summary of your transaction.

| BORROWER'S TRANSACTION | | SELLER'S TRANSACTION | |
|--|---------------------|---|---------------------|
| K. Due from Borrower at Closing | \$199,794.24 | M. Due to Seller at Closing | \$190,095.07 |
| (1) Sale Price of Property | \$180,000.00 | (1) Sale Price of Property | \$180,000.00 |
| (2) Sale Price of Any Personal Property Included in Sale | | (2) Sale Price of Any Personal Property Included in Sale | |
| (3) Closing Costs Paid at Closing (B) | \$9,694.24 | (3) Closing Costs Paid at Closing (B) | \$9,694.24 |
| (4) Seller Credits | | (4) Seller Credits | |
| Adjustments | | Adjustments for Items Paid by Seller in Advance | |
| (5) City/Town Taxes | \$0 | (5) City/Town Taxes | \$0 |
| (6) County Taxes | \$0 | (6) County Taxes | \$0 |
| (7) Assessments | \$0 | (7) Assessments | \$0 |
| (8) HOA Dues | \$840.00 | (8) HOA Dues | \$14,712.00 |
| (9) Other | | (9) Other | |
| (10) Other | | (10) Other | |
| (11) Other | | (11) Other | |
| (12) Other | | (12) Other | |
| L. Paid Already by or on Behalf of Borrower at Closing | \$175,512.39 | N. Due from Seller at Closing | \$115,362.28 |
| (1) Deposit | \$10,000.00 | (1) Deposit | \$10,000.00 |
| (2) Borrower's Loan Amount | \$162,000.00 | (2) Closing Costs Paid at Closing (C) | \$2,600.00 |
| (3) Existing Loan(s) Assumed or Taken Subject to | | (3) Existing Loan(s) Assumed or Taken Subject to | |
| (4) Payoff of First Mortgage Loan | | (4) Payoff of First Mortgage Loan | \$100,000.00 |
| (5) Payoff of Second Mortgage Loan | | (5) Payoff of Second Mortgage Loan | |
| (6) Other | | (6) Other | |
| (7) Other | | (7) Other | |
| (8) Seller Credits | \$2,500.00 | (8) Seller Credits | \$2,500.00 |
| (9) Other | | (9) Other | |
| (10) Other | | (10) Other | |
| (11) Other | | (11) Other | |
| (12) Other | | (12) Other | |
| Adjustments for Items Unpaid by Seller | | Adjustments for Items Unpaid by Seller | |
| (1) City/Town Taxes | \$75.12 | (1) City/Town Taxes | \$75.12 |
| (2) County Taxes | \$0 | (2) County Taxes | \$0 |
| (3) Assessments | \$0 | (3) Assessments | \$0 |
| (4) Other | | (4) Other | |
| (5) Other | | (5) Other | |
| (6) Other | | (6) Other | |
| (7) Other | | (7) Other | |
| (8) Other | | (8) Other | |
| (9) Other | | (9) Other | |
| (10) Other | | (10) Other | |
| CALCULATION | | CALCULATION | |
| Total Due from Borrower at Closing (K) | \$199,794.24 | Total Due to Seller at Closing (M) | \$190,095.07 |
| Total Paid Already by or on Behalf of Borrower at Closing (L) | \$175,512.39 | Total Due from Seller at Closing (N) | \$115,362.28 |
| Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower | \$14,272.35 | Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller | \$54,522.01 |

1 = Calculating Cash to Close

2 = Summaries of Transactions

DISCLOSURE PAGE 4

1 = LOAN DISCLOSURES

2 = ESCROW ACCOUNT

Additional Information About This Loan

Loan Disclosures

1

Assumption

If you sell or transfer this property to another person, your lender

- will allow, under certain conditions, this person to assume this loan on the original terms.
- will not allow assumption of this loan.

Demand Feature

Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- do not have a negative amortization feature.

Partial Payment

Your lender will

- accept payments that are less than the full amount due (partial payments). Partial payments will be applied to:

- not accept partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in _____

456 Sawdust Ave., Anytown, ST 12345

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For new, your loan

2

- will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

| Escrow | | |
|---|------------|--|
| Escrowed Property Costs over Year 1 | \$2,073.56 | Estimated total amount over year 1 for your escrowed property costs: Homeowner's Insurance Property Tax |
| Non-Escrowed Property Costs over Year 1 | \$1,800.00 | Estimated total amount over year 1 for your non-escrowed property costs: Manufacturer's Association Dues You may have other property costs. |
| Initial Payment | \$612.25 | A cushion for the escrow account you pay at closing. See Section C on page 2. |
| Monthly Payment | \$206.11 | The amount included in your total monthly payment. |

- will not have an escrow account because you declined it, your lender does not require or offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow

| No Escrow | | |
|--------------------------------------|--|--|
| Estimated Property Costs over Year 1 | | Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year. |
| Escrow Waiver Fee | | |

In the Future

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations

1

| | |
|--|--------------|
| Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled. | \$292,420.88 |
| Finance Charge. The dollar amount the loan will cost you. | \$123,997.58 |
| Amount Financed. The loan amount available after paying your upfront finance charge. | \$156,964.47 |
| Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate. | 4.441% |
| Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount. | 69.468% |
| Approximate Cost of Funds (ACF). The approximate cost of the funds used to make this loan. This is not a direct cost to you. | 1.63% |

3

Questions? If you have questions about the loan terms and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/learnmore.

Contact Information

4

| | Lender | Mortgage Broker | Real Estate Broker (B) | Real Estate Broker (S) | Settlement Agent |
|-------------------------------------|---|------------------------|--------------------------------------|---------------------------------------|--|
| Name | First Bank | | Omiga Real Estate Broker Inc. | Alpha Real Estate Broker Co. | Epsilon Title Co. |
| Address | 4321 Random Blvd. Somecity, ST 12340 | | 789 Local Lane Somecity, ST 12345 | 987 Sixths Ct. Someplace, ST 12340 | 123 Commerce Pl. Somecity, ST 12344 |
| NMLS/ License ID | | | 2765416 | 265456 | 261616 |
| Contact | Joe S. | | Samuel G. | Joseph C. | Sarah A. |
| Contact NMLS/ License ID | 12345 | | P16415 | PS1451 | PT1234 |
| Email | joesmith@firstbank.com | | sam@omigabro.com | joe@alphareale.com | sarah@epsilontitle.com |
| Phone | 123-456-7890 | | 123-555-1212 | 321-555-2121 | 987-555-4321 |

Confirm Receipt

5

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Applicant Signature

Date

Co-Applicant Signature

Date

1 = LOAN CALCULATIONS

2 = OTHER DISCLOSURES

3 = QUESTIONS

4 = CONTACT INFORMATION

5 = CONFIRM RECEIPT



WHO WILL BE
RESPONSIBLE FOR
INFORMATION, CONTENT,
PREPARATION AND/OR
DISCLOSURE?

**One Out Of Four People
In This Country Is
Mentally Unbalanced.**



**Think Of Your
3 Closest Friends...
If They Seem
Okay, Then
*You're
The
One.***



LEGISLATIVE REGULAR IRREGULARITIES

CHANGES TO ESCROW AGENT REGISTRATION ACT

RCW 18.44

18.44.021(2) ATTORNEY EXEMPTION

18.44.201 FIDELITY BOND RAISED TO ONE MILLION

18.44.021 DEFINITION OF ESCROW
CHANGED TO INCLUDE ACT OF
COLLECTION PROCESSING

-ESCROW LICENSING EXAM WAIVED RE
COLLECTION

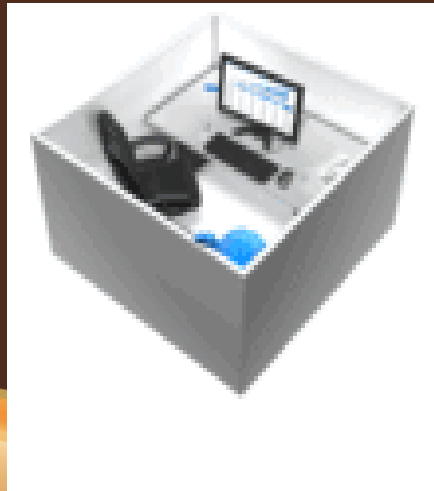
DFI PROPOSED WAC CHANGES IN
RESPONSE TO 18.44 CHANGES

**[HTTP://DFI.WA.GOV/CS/PDF/RULEMAKING
/2013/EARA/ESCROW-DRAFT-
AMENDMENTS-AUG-29.PDF](http://dfi.wa.gov/cs/pdf/rulemaking/2013/eara/escrow-draft-amendments-aug-29.pdf)**

RCW 31.04.25

CONSUMER LOAN ACT





RCW 19.310

EXCHANGE FACILITATORS

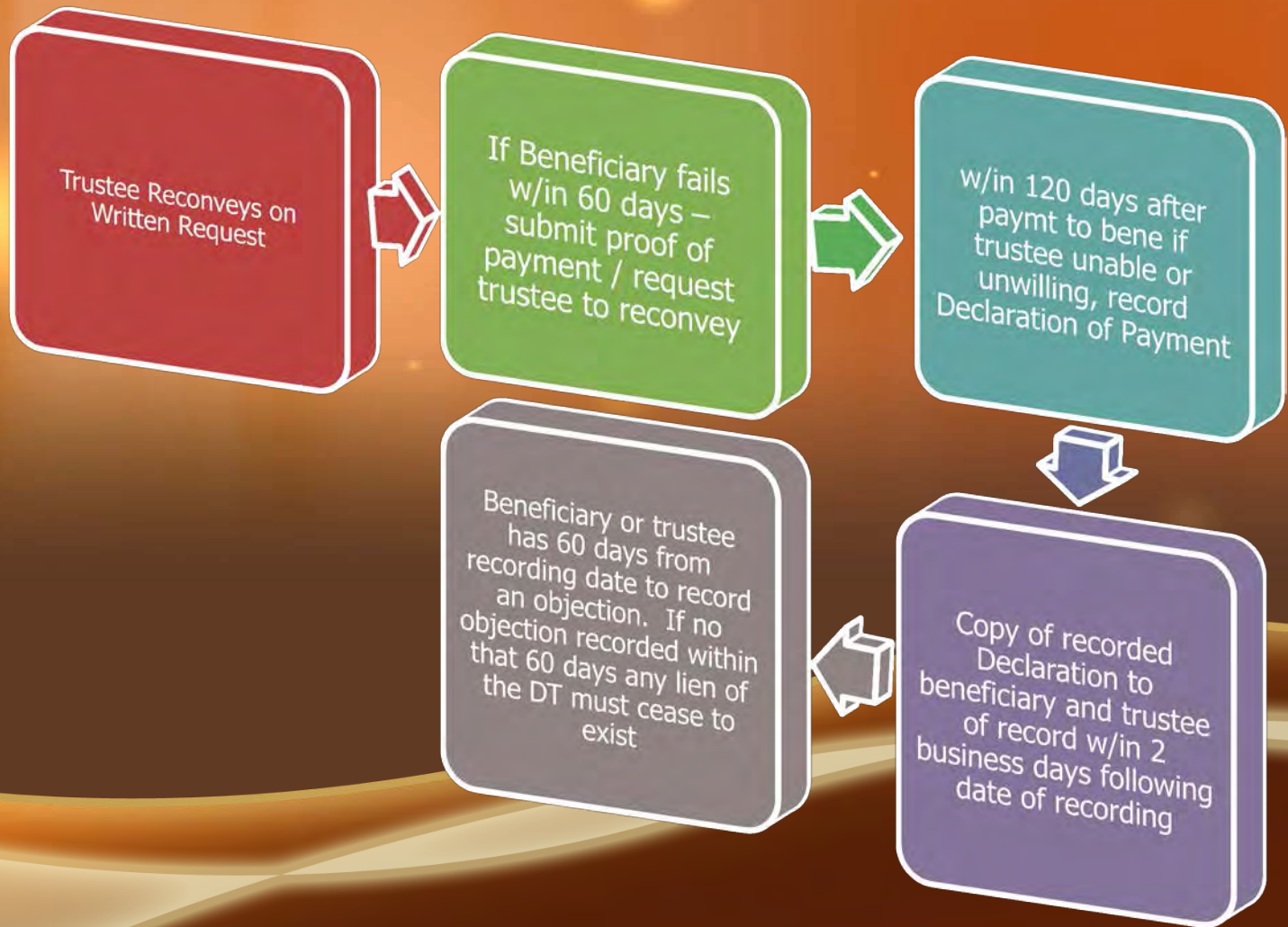
REGULARITIES REQUIRED

- BILL TIGHTENS UP PREVIOUS DISCLOSURE LANGUAGE
- FELONY FAILURE TO FOLLOW LAW IN CARETAKING CLIENT FUNDS
- REQUIRES MANDATORY DISCLOSURE BY FACILITATORS REGARDING THEIR OVERSIGHT BY REGULATORS
- REQUIRES DISCLOSURE REGARDING WHERE FUNDS WILL BE HELD

RCW 61.24.110 RECONVEYANCES

Clarifying agency relationships in reconveyances of deeds of trust





When Recorded Return To:

DECLARATION OF PAYMENT OF DEED OF TRUST

Deed of Trust Recording Number: _____
Granted by: _____
Abbreviated Legal Description: _____
Tax Parcel Number: _____
Additional Legal Description attached as Exhibit A on Page 3.

The undersigned is an escrow agent licensed by the Washington State Department of Financial Institutions, a title insurer or title insurance agent licensed by the Washington State Office of the Insurance Commissioner, or an attorney admitted to practice law in the state of Washington (hereinafter "Escrow Agent"). Pursuant to the authority of RCW 61.24.110(3), the Escrow Agent hereby declares, as shown below, that it delivered payment pursuant to the Beneficiary's written demand, that payment was sufficient to satisfy the Beneficiary's demand, that the Escrow Agent received no objection, and that a reconveyance was not recorded within 120 days thereafter:

Deed of Trust dated _____, recorded on _____, as Auditor's File No. _____, records of _____ County, Washington.
Granted by: _____
Trustee now appearing of record: _____
Present Beneficiary: _____
Loan Number (if known): _____
Amount of Beneficiary's Demand: \$ _____
Amount delivered by Escrow Agent: \$ _____
Payment delivery method: _____
Payment delivered on: _____

The legal description of the real property encumbered by the Deed of Trust is attached hereto as Exhibit A.

IN WITNESS WHEREOF, the Escrow Agent has signed this Declaration on this _____ day of _____, 2013.

[Escrow Agent Company or Attorney]

By: _____

Its: _____

STATE OF WASHINGTON)

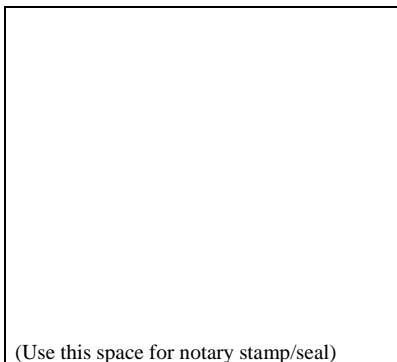
) ss.

COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____

(is/are) the person(s) who appeared before me, and said person(s) acknowledged that _____ signed this instrument, on oath stated that _____ authorized to execute the instrument and acknowledge it as the _____ of _____ to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this instrument.

Dated:



(Use this space for notary stamp/seal)

Print Name: _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____

My appointment expires: _____

DATED: _____

EXHIBIT A
Legal Description

**REQUEST FOR FULL RECONVEYANCE
BY ESCROW AGENT**

The undersigned is an escrow company, title company or attorney that is licensed in Washington and that delivered payment pursuant to the Beneficiary's demand as stated below. More than sixty days have elapsed since full payment was delivered, but the deed of trust has not been reconveyed. The escrow agent therefore is authorized to request Full Reconveyance on behalf of the parties entitled thereto pursuant to RCW 61.24.110(2).

Deed of Trust dated _____, recorded on _____,
as Auditor's File No. _____, records of _____ County, Washington.

Granted by: _____

Present Beneficiary: _____

Present Trustee: _____

Proof of the Beneficiary's Demand is attached as Exhibit A.

Proof that full payment was delivered on: _____ is attached as Exhibit B.

The note and all other indebtedness secured by said Deed of Trust having been fully satisfied, you are therefore requested, upon payment of all sums owing to you, to reconvey without warranty, to the person(s) entitled thereto, the right, title, and interest now held by you thereunder.

Dated _____

[Escrow Agent Company or Attorney]

By: _____

Its: _____

<http://go.to/funpic>



Please Be safe.

**Do not stand, sit, climb or lean on
zoo fences.**

**If you fall, animals could eat you
and that might make them sick.**

Thank you.

LPO CONSIDERATIONS REGARDING IRREGULARITIES

On the list.....

ONGOING REGULAR LPO ISSUES – EDUCATION

Short
Sale
Clause

LPO
Forms

Reconveyances

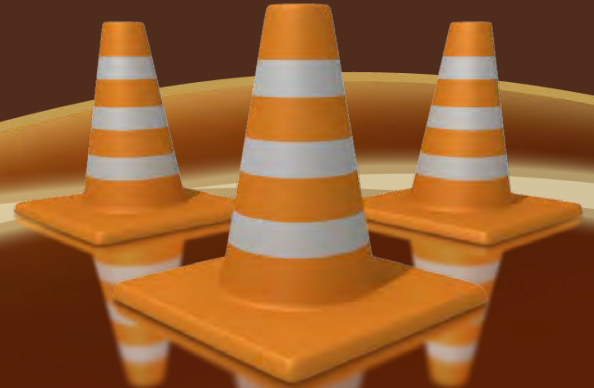
LPO
Disclosure



EXAM ?

Application

LPO New



MISCELLANEOUS REGULATED IRREGULARITIES



- UCC ARTICLE 9 CHANGES
EFFECTIVE JULY 1, 2013

- CHANGES TO PAYMENT TERMS
ADDENDUM (22C) TO NWMLS
PURCHASE AND SALE AGREEMENT

Questions? Comments?



Dee McComb
Dba Settlement Solutions

deemccomb@yahoo.com
206-890-1983

INFORMATION RESOURCES



CONSUMER FINANCE.GOV

A-E-A.ORG

ALTA.ORG

E-A-W.ORG

WSBA.ORG (search Limited
Practice Officer)

When Recorded Return To:

DECLARATION OF PAYMENT OF DEED OF TRUST

Deed of Trust Recording Number: _____
Granted by: _____
Abbreviated Legal Description: _____
Tax Parcel Number: _____
Additional Legal Description attached as Exhibit A on Page 3.

The undersigned is an escrow agent licensed by the Washington State Department of Financial Institutions, a title insurer or title insurance agent licensed by the Washington State Office of the Insurance Commissioner, or an attorney admitted to practice law in the state of Washington (hereinafter "Escrow Agent"). Pursuant to the authority of RCW 61.24.110(3), the Escrow Agent hereby declares, as shown below, that it delivered payment pursuant to the Beneficiary's written demand, that payment was sufficient to satisfy the Beneficiary's demand, that the Escrow Agent received no objection, and that a reconveyance was not recorded within 120 days thereafter:

Deed of Trust dated _____, recorded on _____, as Auditor's File No. _____, records of _____ County, Washington.

Granted by: _____

Trustee now appearing of record: _____

Present Beneficiary: _____

Loan Number (if known): _____

Amount of Beneficiary's Demand: \$ _____

Amount delivered by Escrow Agent: \$ _____

Payment delivery method: _____

Payment delivered on: _____

The legal description of the real property encumbered by the Deed of Trust is attached hereto as Exhibit A.

IN WITNESS WHEREOF, the Escrow Agent has signed this Declaration on this _____ day of _____, 2013.

[Escrow Agent Company or Attorney]

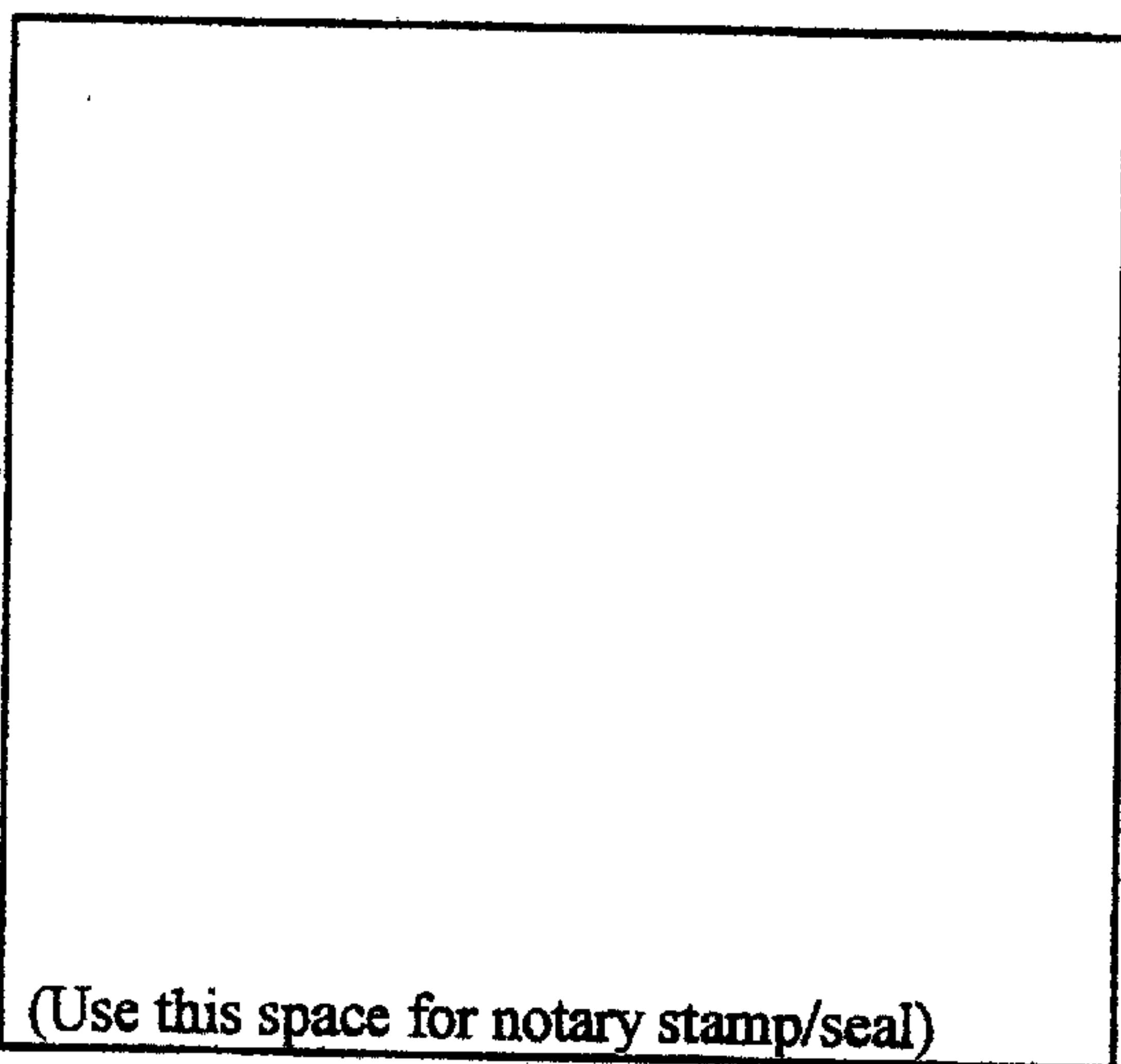
By: _____
Its: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF _____)

I certify that I know or have satisfactory evidence that _____

(is/are) the person(s) who appeared before me, and said person(s) acknowledged that _____ signed this instrument, on oath stated that _____ authorized to execute the instrument and acknowledge it as the _____ of _____ to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this instrument.

Dated:



Print Name: _____
NOTARY PUBLIC in and for the State of Washington,
residing at _____
My appointment expires: _____
DATED: _____

**REQUEST FOR FULL RECONVEYANCE
BY ESCROW AGENT**

The undersigned is an escrow company, title company or attorney that is licensed in Washington and that delivered payment pursuant to the Beneficiary's demand as stated below. More than sixty days have elapsed since full payment was delivered, but the deed of trust has not been reconveyed. The escrow agent therefore is authorized to request Full Reconveyance on behalf of the parties entitled thereto pursuant to RCW 61.24.110(2).

Deed of Trust dated _____, recorded on _____,
as Auditor's File No. _____, records of _____ County, Washington.

Granted by: _____

Present Beneficiary: _____

Present Trustee: _____

Proof of the Beneficiary's Demand is attached as Exhibit A.

Proof that full payment was delivered on: _____ is attached as Exhibit B.

The note and all other indebtedness secured by said Deed of Trust having been fully satisfied, you are therefore requested, upon payment of all sums owing to you, to reconvey without warranty, to the person(s) entitled thereto, the right, title, and interest now held by you thereunder.

Dated _____

[Escrow Agent Company or Attorney]

By: _____
Its: _____